

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: <u>0</u> <u>2</u> - <u>1</u> <u>6</u>	2. STATE MO
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE April 1, 2002	

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

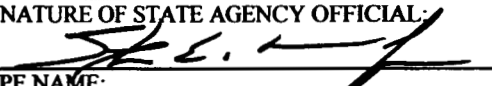
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 431 Subpart M	7. FEDERAL BUDGET IMPACT: a. FFY _____ \$ _____ b. FFY _____ \$ _____
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.16-210 <i>Missouri (02-16)</i> <i>approved: 09/04/02</i> <i>effective: 04/01/02</i>	9. PAGE NUMBER OF THE SUPERSEDES PLAN SECTION OR ATTACHMENT (If Applicable): New Material

10. SUBJECT OF AMENDMENT:

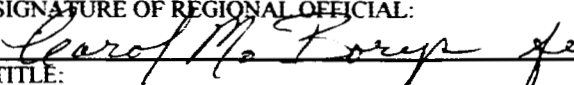
Cooperative Agreement between the Department of Social Services, Division of Medical Services and the Department of Elementary and Secondary Education to Designate the Department of Elementary and Secondary Education as an Organized Health Care Delivery System for Part C of the Individuals with Disabilities Education Act (Missouri's First Step Program).

11. GOVERNOR'S REVIEW (Check One)

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT ☐ OTHER, AS SPECIFIED:  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Department of Social Services Division of Medical Services P.O. Box 6500 Jefferson City, MO 65109
13. TYPE NAME: Dana Katherine Martin	
14. TITLE: Director	
15. DATE SUBMITTED: 6/26/02	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 06/27/02	18. DATE APPROVED: SEP 04 2002
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 04/01/02	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Thomas W. Lenz	22. TITLE: ARA for Medicaid & State Operations

23. REMARKS:

CC:  
Martin  
Vadner  
Waite  
CO  
DSG/DIATA

SPA CONTROL  
Date Submitted: 06/26/02  
Date Received: 06/27/02

**COOPERATIVE AGREEMENT BETWEEN  
THE DEPARTMENT OF SOCIAL SERVICES, DIVISION OF MEDICAL SERVICES  
And  
THE DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION  
To  
DESIGNATE THE DEPARTMENT OF ELEMENTARY  
AND SECONDARY EDUCATION  
AS AN ORGANIZED HEALTH CARE DELIVERY SYSTEMS  
For  
PART C OF THE INDIVIDUALS WITH DISABILITIES  
EDUCATION ACT  
(MISSOURI'S FIRST STEPS PROGRAM)**

**I  
STATEMENT OF PURPOSE**

This Agreement reflects the cooperative and mutual understanding between the Missouri Department of Social Services (DSS/DMS) and the Missouri Department of Elementary Education (DESE). This agreement complies with the requirements of 45 CFR Part 95.507 (6). DSS is the designated single state agency for the administration of the Medicaid program in Missouri and DMS is the division within DSS which directly manages the Medicaid program operations. DESE is the statutorily authorized state lead agency responsible for ensuring the provision of early intervention services to eligible disabled infants and toddlers ages birth to 36 months, and to their families. DESE must ensure the provision of services is consistent with the requirements of Part C of the Individuals with Disabilities Education Act (IDEA). Missouri refers to this requirement as the First Steps Program.

This Agreement is entered into for the purpose of DESE acting as an organized health care delivery system (OHCDs) for the provision of: physical therapy; occupational therapy; speech language/pathology; and targeted case management/service coordination, for children ages birth to 36 months,

**II  
MUTUAL OBJECTIVES**

To assure that the recipients of service under physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination are afforded services and supports to achieve the greatest possible adjustment and functioning within their families and communities, and thereby to reduce or prevent the need for institutionalism.

Further, to assure that services provided under physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination are provided in an efficient and cost effective manner, reduce duplication of services, and are in accordance with the standards, policies and procedures of the First Steps program and the Medicaid program.

### III RESPECTIVE DUTIES

**Department of Social Services agrees to:**

1. Allow the DESE to enroll in Medicaid as an Organized Health Care Delivery Systems (OHCDS) as set forth in 42 CFR 447.10 for its First Steps providers of physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination services. DESE (OHCDS) will contract with providers meeting the Medicaid provider enrollment qualifications as well as the enrollment qualifications and credentialing established by DESE to be a First Steps provider. Families will be able to select from a provider matrix for necessary physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination services.
2. Reimburse the DESE (OHCDS) the federal share for physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination services provided to eligible Medicaid/MC+ recipients for which the DESE (OHCDS) has certified the required state match.
3. Participate in Medicaid related training that may be deemed necessary by the Directors of DMS and/or DESE for the execution of the provisions of this agreement.
4. Upon completion of the Medicaid provider enrollment packages for physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination by the DESE (OHCDS), enroll the DESE (OHCDS) with appropriate provider numbers.
5. DMS will be responsible for:
  - Facilitating referrals to the First Steps program;
  - Participating, as appropriate, in the eligibility determinations and the development of
  - Providing data required for fiscal planning;
  - Facilitating the provision of early intervention services including physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination services.
- Assist the DESE (OHCDS) in preparing and reviewing material to be published by DESE regarding the Medicaid physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination programs, including policy memoranda, manuals, reports, etc.
- Maintain the confidentiality of client records received from the DESE (OHCDS) and use that information only in the activities authorized under this agreement.

- Collaborate in the development of periodic quality assurance and utilization reviews by the DESE (OHCDS).
- Meet and consult on a regular basis, at least quarterly with the DESE (OHCDS) on issues related to this agreement.

**Department of Elementary and Secondary Education Agrees to:**

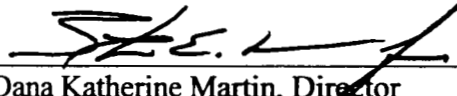
1. Sign the individual Title XIX Participation Agreements for physical therapy, occupational therapy, speech/language pathology and targeted case management/service coordination and agree to all requirements of the participation agreements.
2. DESE (OHCDS) has contracted with a Central Finance Office (CFO) for the provision of enrollment of only qualified and credentialed physical therapy, occupational therapy, speech/language pathology and targeted case management/service coordination providers in the DESE First Steps program. Additionally, the CFO will ensure these providers meet the Medicaid provider enrollment criteria. The CFO is the fiscal agent and will do all billing to Medicaid and maintain all fiscal records for physical therapy, occupational therapy, speech/language pathology and targeted case management/service coordination service providers of the DESE First Steps program.
3. Provide DMS with a yearly report of all DESE (OHCDS) contracted providers including their full name, license number, and Social Security number.
4. Monitor providers for procedural compliance with law and regulation, and with the conditions of participation required by DESE (OHCDS) and DMS.
5. Report instances of provider non-compliance to DMS and jointly pursue any action necessary and appropriate to remedy the non-compliance.
6. Account for the activities under this agreement in accordance with the provisions of OMB Circular 107-115 CDD 00-74-105
7. Costs claimed for services provided by DESE (OHCDS) will be supported by a written agreement that includes, at a minimum (1) the specific service(s) being purchased; (2) bill the Medicaid program in accordance with procedures outlined in the Medicaid Provider Manual(s) or as specified in the agreement; (3) the basis upon which the billing will be made by DESE (OHCDS) (e.g. time reports, number of home inspected, etc.) as outlined in the format provided by the Department of Social Services, Division of Budget and Finance (DSS/DBF) of Attachment A of this agreement; and (4) a stipulation that the billing will be based on the actual cost incurred.

8. Certify the state match based on the current FMAP rate for physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination billed by the Central Finance Office (CFO) on behalf of all First Steps physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination providers except for the Department of Mental Health and Department of Health and Senior Services' employees or sub-contractors.
9. Facilitate the relationship between First Steps and MC+ Managed Care Health Plans.
10. Conduct provider relations training and technical assistance activities necessary for the efficient administration of the physical therapy, occupational therapy, speech/language pathology, and targeted case management/service coordination programs.
11. Participate in Medicaid related training that may be deemed necessary by the Directors of DMS and/or DESE for the execution of the provisions of this agreement.
12. Prepare, print and mail material regarding the physical therapy, occupational therapy, speech language pathology, and targeted case management/service coordination programs including memoranda, manuals, reports, etc., with review and approval by DMS.
13. Be responsible for any federal funds which are deferred and/or ultimately disallowed arising from a failure by DESE (OHCDS) to comply with a federal requirement.
14. Maintain the confidentiality of clients records and eligibility information received from DMS and use that information only in the activities authorized under this agreement.

#### IV

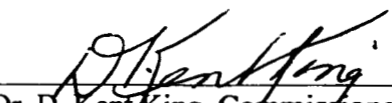
#### TERMS OF THIS AGREEMENT

The effective date of this agreement shall be April 1, 2002. This agreement may be modified at any time by mutual agreement of the parties. Any modification shall be in writing and shall be effective only if it is signed by both parties and is provided to the other party in writing thirty (30) days prior notice in writing to the other party, provided, however, that reimbursement shall be made only for the period when the agreement is in full force and effective.

  
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Dana Katherine Martin, Director  
Department of Social Services

June 26, 2002

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Date

  
\_\_\_\_\_  
Dr. D. Kent King, Commissioner  
Department of Elementary and Secondary Education

June 20, 2002

\_\_\_\_\_  
Date

State Plan TN No. 02-16  
Supersedes TN No. New Material

Approval Date SEP 04 2002  
Effective Date 04-01-02

This agreement identifies the basis upon which billings supporting requests for reimbursement under Federally funded programs are reimbursed to the Department of Elementary and Secondary Education (DESE) by the Department of Social Services (DSS) under interagency agreements.

**General Provisions:**

- 1) All costs included in Agency requests for reimbursement must satisfy the general provisions for allowability of costs as defined in OMB Circular A-87.
- 2) All costs included in Agency requests for reimbursement must satisfy the specific provisions for allowability of costs as defined by all applicable Federal program rules under which reimbursement is sought.
- 3) DSS shall only reimburse the allowable Federal share specified by the Federal program.
- 4) All matching funds supporting the billings must be consistent with applicable Federal regulations governing such funds and certified by the Agency with each billing.
- 5) Any deferrals, disallowances, questioned costs, or other items not allowed for Federal Financial participation, claimed by DSS on behalf of the agency, shall be returned either to DSS or directly to the Federal agency (as determined by DSS) by the Agency.
- 6) Billings will be based on the actual cost incurred.

**Framework:**

**45 CFR Part 95.507 (6)** "...costs..for services provided by a governmental agency outside the State agency...will be supported by a written agreement that includes, at a minimum (i) the specific service(s) being purchased, (ii) the basis upon which the billing will be made by the provider agency (e.g. time reports, number of homes inspected, etc.) and (iii) a stipulation that the billing will be based on the actual cost incurred."

**Salaries and Wages:** Please refer to OMB Circular, Attachment B – Selected Items of Cost, Section 11 – Support of Salaries and Wages.

- In the case of those employees who work solely on the activity identified above, employee payroll records satisfy the documentation requirements. In this case, you must periodically certify that these employees worked solely on that program for the period covered by the certification. Certifications will be prepared at least semi-annually and maintained by the Agency for inspection by DSS or the Federal agency as they may require.
- In the case of employees working on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports that:
  - a) reflect an after the fact distribution of the actual activity of each employee
  - b) account for the TOTAL activity for which each employee is compensated
  - c) be prepared at least monthly and coincide with one or more pay periods.

or,

- Will be supported by a statistical sampling system or other substitute system.

*If the cost will be supported by a statistical sampling system or other substitute system, you must attach a detailed description of your allocation methodology. Any changes to that methodology implemented after execution of this agreement must also be provided.*

**Expense and Equipment:** Please refer to OMB Circular A-87 Attachment A, Section D, Composition of Cost, and OMB Circular A-87 Attachment B – Selected Items of Cost.

**Direct costs:** Costs of materials acquired, consumed, or expended specifically for the purpose authorized under this agreement.

**Allocable costs:** Cost chargeable or assignable in part to the purposes authorized under this agreement in accordance with relative benefits received.

*If expense and equipment items are allocable you must attach detailed description of the methodology you will utilize to assign those costs in accordance with the relative benefits received under this agreement. Any changes to that methodology implemented after execution of this agreement must also be provided.*

**Automated Data Processing Costs:** Please refer to 45 CFR Part 95 Subpart F.

*Costs for automatic data processing equipment and services to be included AS DIRECT CHARGES under this interagency agreement (as opposed to included in your indirect rate) are reimburseable subject to the provisions 45 CFR Part 95, Subpart F. Any changes to the methodology implemented after execution of this agreement must also be provided and also comply with 45 CFR Part 95, Subpart F. Evidence of compliance with 45 CFR Part 95, Subpart F must be attached.*

**Indirect Costs:** State agency indirect costs may be included provided they are have been approved in your approved as specific in your Federally Approved Indirect Cost Negotiation Agreement.

*If indirect costs are to be included, you must attach a copy of your current Federally Approved Indirect Cost Negotiation Agreement. New agreements entered into after execution of this interagency agreement must also be provided.*